

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Agricultural Marketing Department – Distribution of Fertilizers during Kharif 2008 – an amount of Rs.52,46,731/- sanction to the AP MARKFED for reimbursement of incidental expenditure – orders – issued.

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AGRICULTURE & COOPERATION (AM.II) DEPARTMENT

G.O.Rt.No. 1099

Dated 1. 9.2009

Read the following:-

1. G.O.Rt.No.291 A&C (FP.II) Department dt.7.3.2008
2. G.O.Rt.No.774 Agri & Coop (FP.II) Department dated 21.6.2008
3. From the MD A.P Markfed Lr.Rc.No.Markfed / Fert/Agril./2008-09 dated 24.1.2009
4. G.O.Rt.No.313 Agri & Coop (FP.II) Department dated 4.3.2009.

ORDER:

In the reference 1<sup>st</sup> read above Government have nominated APMARKFED as Nodal Agency to raise loan of Rs.500 crores for purchasing, prepositioning and distribution of DAP & Complex fertilizers through its Members Societies. Further in reference 2<sup>nd</sup> read above Government have issued orders for reimbursement of incidental charges like storage loading, unloading insurance and transportation charges of Rs.22.75 crores and Rs.4.75 crores respectively @ 455/-per MT or actual expenditure whichever is less on the stocks distributed by MARKFED. Accordingly Markfed has incurred an amount of Rs.20.01 crores towards handling storage and transportation charges during Kharif 2008. In the reference 4<sup>th</sup> read above, have released an amount of Rs.20,01,96,177/- out of the agreed amount of Rs.20.75 crores

In the reference 3<sup>rd</sup> read above, the Managing Director A.P.Markfed has stated that as per the statutory norms transportation charges are taxable @ 12.36% on the 25% of the total transportation value, which amounts to Rs.52,46,731/- and he is requested to consider the supplementary bill for the claim of Rs.52,46,731/- being the service tax on transportation charges incurred by the Markfed during Kharif 2008. (including this amount, the total claim towards handling storage and transportation charges comes to Rs.20.54 crores).

Government after careful examination hereby permitted the Commissioner & Director of Agriculture Marketing to sanction an amount of Rs. 52,46,731/- from AMC/CMF funds to the Managing Director, AP Markfed towards service tax on transportation charges incurred by the AP Markfed during the Kharif 2009.

The Commissioner & Director of Agricultural Marketing A.P., Hyderabad shall take necessary action in the matter.

This orders issues with the concurrence of Finance Department vide their U.O.No.19427/357/A1/Exp.A&C/2009 dated 17.8.2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K.R.KISHORE,  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Managing Director AP Markfed Hyderabad  
The Commissioner & Director of Agricultural Marketing AP Hyderabad  
Copy to Agriculture & Cooperation (FP.II) Dept.,  
Copy Sf/Sc.,

//FORWARDED BY ORDER//

Section Officer